

Application No. 10/664,853

**In the claims:**

1. (currently amended) A method for exchange of items, the method comprising:

auctioning a digital item for sale from an offerer of said digital item who is authorized to sell said digital item and reverse auctioning a digital item for buying by a requester of said digital item; and

selling said digital item by uploading to a requester who, upon purchasing and downloading said digital item, is authorized to become another offerer of said digital item, wherein a capability of said offerers to transfer and sell said digital item to further requesters is a function of at least one of a download capability and an upload capability of said offerers and said requesters, further comprising, before selling said digital item, checking available bandwidth of the offerer and the requester, wherein selection of the offerer that sells said digital item and selection of the requester that buys said digital item is determined not only by a bid price made by the requester and an ask price made by the offerer but also by the available bandwidth of the offerer and the requester.

2. (original) The method according to claim 1, wherein a sale of said digital item by one of said offerers is transactable only if a condition is met, said condition comprising at least one of:

said offerer has a minimum upload communication bandwidth;

said requester has a minimum download communication bandwidth;

a minimum bid price;

a minimum number of requesters;

a minimum number of offerers; and

a minimum level of rating of the offerer and the requester, wherein said level of rating is a function of a behavior of a user with other users.

3. (original) The method according to claim 1, further comprising:

automatically finding the best price for said item;

transferring said item from the offerer to the requester; and

transferring money for said item between the requester and the offerer.

4. (original) The method according to claim 1, further comprising:

paying a royalty to a copyright owner of said digital item upon selling said digital item, wherein said royalty value comprises at least one of:

a percentage of the price of the item, not below a certain minimum and not above a certain maximum;

a fixed value;

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a value dependent on the users characteristics; and

a value dependent on the item characteristics.

5. (original) The method according to claim 1, further comprising presenting names of digital items before making said items available for transfer between users and entering a request in advance for a digital item and transferring said item when said item becomes available.

6. (original) The method according to claim 1, further comprising entering a request in advance for a digital item and offering a price to another user who makes said item available.

7. (original) The method according to claim 1, further comprising automatically downloading and uploading digital items in accordance with criteria that improve profits of a user.

8. (original) The method according to claim 1, further comprising providing user accounts for transfer of money from one account to another account.

9. (original) The method according to claim 1, further comprising permitting a user to choose between auctioning an item for sale and reverse auctioning an item to buy.

10. (original) The method according to claim 1, wherein selling said digital item comprises:  
dividing users with a minimum amount of free bandwidth into a list of requesters (L1) and a list of offerers (L2);

selecting a pair of users comprising a requester from L1 and an offerer from L2 in accordance with a selection criterion; and

transferring a digital item between the selected requester and the selected offerer.

11. (original) The method according to claim 10, wherein said selection criterion comprises at least one of an availability of bandwidth, a bid price, and an ask price.

12. (original) The method according to claim 10, further comprising sorting said lists L1 and L2 in accordance with a sorting criterion and selecting the said pair as the two first users from the sorted L1 and L2.

13. (original) The method according to claim 12, wherein said sorting criterion comprises at least one of a request price, an offer price, time of requesting, time of offering, and proximity of the users in a plurality of the pairs.

14. (currently amended) The method according to claim 1, further comprising searching for said digital item prior to requesting or offering said digital item, wherein said searching comprises:

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displaying a plurality of lists of keywords and an amount of items that would be found if a keyword from one of said lists were combined with the ~~selected~~ a keyword selected from another of said lists.

15. (original) The method according to claim 14 wherein said keywords are combinable in a Boolean expression.

16. (original) A method for searching comprising:

providing searchable items, keywords, a list of keywords (hereinafter: LKW), each item connected to at least one keyword;

displaying one or more LKWs, wherein each keyword in every LKW can be selected or unselected, and

displaying, next to each keyword in every LKW, the number-of-items-that-would-be-found if this keyword were selected,

wherein there is a first group of Boolean operators between groups of items selected by keywords from the same LKW and wherein there is a second group of Boolean operators between groups of items selected by keywords from different LKW.

17. (original) The method according to claim 16, wherein all the Boolean operators in the first group are an "or" and all the Boolean operators in the second group are an "and".

18. (currently amended) The method according to claim 16, wherein in addition to the number-of-items-that-would-be-found, further displaying at least one of how many times a particular keyword was selected by others, the number of items to which the particular keyword is connected, the rating of the particular keyword, the ~~maximum/minimum/average~~ a function of prices of the items that would be found if the particular keyword were selected, stored information pertaining to the particular keyword, and stored information pertaining to items that would be found if the particular keyword were selected.

19. (original) The method according to claim 16, wherein if there is a selected keyword in every LKW, a new LKW is created with no selected keywords, and if there are two or more LKWs with no selected keyword, one of them remains and the rest are removed.

20. (original) The method according to claim 16, further comprising not displaying keywords, which if selected in combination with other selected keywords results in zero selected items.

21. (original) The method according to claim 16, further comprising defining a meta-keyword as a keyword related to other keywords, and using the meta-keyword to limit the keywords in a LKW to one kind of keywords.

22. (original) A system for the exchange of digital items, comprising:

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a network of computers, each computer having at least one of upload bandwidth capacity and download bandwidth capacity, said computers being able to exchange items among said computers,

and a management system that manages personal accounts for the computers and for its users;

wherein said computers are able to be offerers and generate offers to send items,

wherein said computers are able to be requesters and generate requests to receive items,

wherein said computers are able to accept offers of other computers,

wherein said computers are able to accept requests of other computers,

wherein said computers are able to search, find, arrange, sort and display information about the items, the offers, the requests, the computers, the bandwidth and the users,

wherein for at least a portion of the items there are items, that when they are transferred from an offerer to a requester, a copy of said items stays with the offerer,

wherein an offer of an item by an offerer cannot be accepted if that offerer does not have enough free bandwidth to send that item,

wherein a request of an item by a requester cannot be accepted if that requester does not have enough free bandwidth to receive that item, and

wherein payments for the items, royalties to copyright owners of the items and commissions to operators of the system are payable through said personal accounts.

23. (original) The system according to claim 22, wherein said computers are further able to:

enter item details into the system without entering the item itself into the system;

to find said details in the system, when performing a search for items;

to add the item into the system later and establish a connection between the item and its details that have been entered in the system; and

to place requests for the item even when the item itself is not present in the system.

24. (original) The system according to claim 22, wherein said computers are further able to:

to divide large items into smaller parts, wherein each of said smaller parts is transferable separately and independently, wherein each of said smaller parts has its own license, and wherein the parts are identified as parts of a larger item.